

**MINUTES OF THE
NATURAL RESOURCES APPROPRIATIONS SUBCOMMITTEE
January 23, 2006
Room W130, West Office, Building, State Capitol Complex**

MEMBERS PRESENT: Sen. Thomas Hatch, Co-Chair
Rep. Bradley T. Johnson, Co-Chair
Sen. Mike Dmitrich
Sen. Parley Hellewell
Rep. Carl W. Duckworth
Rep. Ben C. Ferry
Rep. Kerry W. Gibson
Rep. James R. Gowans
Rep. John G. Mathis
Rep. Ronda R. Menlove
Rep. Michael E. Noel

MEMBERS ABSENT: Sen. Beverly Evans and Rep. Rebecca Lockhart

STAFF: Ivan Djambov, Fiscal Analyst
Cindy Hopkin, Committee Secretary

SPEAKERS: Leonard Blackham, Commissioner Department of Agriculture and Food;
Jed Christenson, Dir. Marketing & Development; Dr. Mike Marshall, Dir. Animal Industry;
George Hopkin, Dir. Conservation & Management; Gordon Yonkers, Dir. UACD;
Debra Spielmaker, Dir. Ag In The Classroom; Randy Parker, Farm Bureau; Brent Tanner,
Utah Cattleman's Association; Arthur Douglas, Utah Farmer's Union; Clark Willis,
Utah Wool Growers; Stan Wood, Fremont River Conservation; and Bill Rigby, Davis County.

Note: A list of visitors and a copy of handouts are filed with the committee minutes.

Sen. Hatch called the meeting to order at 2:10 p.m.

Leonard Blackham, Commissioner Department of Agriculture and Food (DAF), introduced the Directors and provided handouts and an agenda for the committee members. Commissioner Blackham spoke about the department's Grazing Improvement Program (GIP) which was created to protect the environment and help strengthen Utah's \$600 million livestock industry. The GIP program will be led by a range specialist and assisted by a policy analyst and a rangeland scientist. The DAF plans to expand the ability of grazing boards to impact federal management plans, increase the number of projects that protect the land and expand productivity and create a process that is more reasonable, affordable and effective in addressing invasive species by pushing for a revision of NEPA (National Environmental Policy Act).

The department believes that the GIP needs \$2 million to be fully funded; \$200,000 for staff and board costs and \$1.8 million for projects. For FY 2006, the agency is requesting a supplemental

appropriation of \$29,000 from the General Fund. The request for FY 2007 is a \$320,000 on-going appropriation from General Fund to get the program started, but ultimately it will require more money to be effective.

The projects to stop destruction by invasive species will be generated by Cooperative Weed Management Areas (CWMAs), grazing boards (regional and state), and Soil Conservation District boards (SCDs). The state will benefit from these projects increased carrying capacity of livestock and wildlife, improved water quality and quantity, decreased fuel load to suppress wildland fires, and enhanced vitality of rural Utah's economy.

DAF intends to run the Mosquito Program differently. The last two years the department simply asked for proposals for grants and allocated money to counties upon their request if their proposal seemed appropriate. Even though it isn't DAF's statutory responsibility to fund the Mosquito Program, they feel they need to respond to special needs. DAF plans to take \$100,000 to \$150,000 of their money and earmark it in the department for special projects for the Mosquito Program.

The Grasshopper and Cricket Program is in place, DAF has the money from federal funds and state funds to run the program. With the help of extension, especially in the counties, when a problem is identified; the department has ample ability to intercede and make a substantial difference in resolving the problem.

Sen. Hatch stated that there was a quorum present.

MOTION: Sen. Hellewell moved to approve the minutes of January 18, 2006. The motion passed unanimously with Sen. Evans and Rep. Lockhart absent for the vote.

Jed Christensen, Director Marketing and Development, spoke about the emphasis of the division on agricultural and agribusiness marketing opportunities. Through the efforts of industry volunteers and the Department, the Utah's Own Program has been developed to create a consumer culture to think of and purchase Utah products first. With less than \$25,000 of Utah taxpayer dollars, an estimated \$2.2 million in additional sales has been generated for a limited number of Utah companies.

With a substantial investment, there can be benefits for more companies and for the Utah economy in general. The Utah restaurant business alone generates \$1.2 billion in annual sales and there is almost \$5 billion in annual grocery sales. If, through the Utah's Own advertising campaign, Utah companies can capture just an additional 1% of the \$6 billion market, it would be \$60 million in additional sales that stays local. Using a conservative multiplier of 1.5, total dollars generated become \$90 million in the local economy.

The department is requesting for FY 2006 a one-time non-lapsing appropriation of \$400,000 from the General Fund to launch an extensive advertising, promotions, and events campaign of the "Utah's Own" Program.

Dr. Michael R. Marshall, Director Animal Industry, spoke about the need for one full-time veterinary position to fulfill legislative mandates to control Trichomoniasis in cattle and emerging poultry diseases. The duties will include: administering the Trichomoniasis regulations, performing hatchery inspections, and administering the National Poultry Improvement program. The agency is requesting for FY 2007 an on-going appropriation of \$81,000 from the General Fund.

The agency currently has 3 field veterinarians in Utah. It takes 2.3 of the veterinarians full-time in meat inspection to keep up with all the regulations from the federal government meat inspection system. The other .7 is used in all of the disease problems that the agency helps regulate in the field person-to-person to help educate and track down problems.

Trichomoniasis is a venereal disease of cattle that is transmitted by infected bulls and results in infertility and early abortion of up to 50% of the calf crop. UDAF was requested by the Utah Cattlemen's Association in 1997 to enact regulations requiring testing of certain bulls for this disease. The success of that program prompted the cattlemen to seek the help of the Utah Legislature during the 2000 session to require testing of all bulls statewide. The program was initially funded at a level of \$40,000; approximately 5,000 bulls were tested and 156 were found positive. The Department enacted regulations in 2004 requiring a fine of \$200 for all bulls that were not tested by May 31 and a fine of \$500 for bulls that were exposed to female cattle without being tested. The result was that in 2005, nearly 17,000 bulls were tested and only 50 were found positive.

The incidence of Trichomoniasis has fallen in Utah from an estimated 5% in 1999 to 0.3% during the last seven years since the program began. Assuming that each infected bull will fail to settle 20 cows and each unborn calf is worth \$450, is calculated to result in savings to Utah producers of \$6.7 million.

Rep. Johnson commented that Trichomoniasis is probably the most serious disease we have in cattle. The figures used in calculating the savings are very conservative and any producer who goes through the problem of cattle bred by infected bulls almost goes out of business.

Dr. Marshall agreed with Rep. Johnson adding that usually they do go out of business. He estimates that the problems in Uinta Basin alone this past summer with Black Fly, West Nile Virus, and Equine Infectious Anemia; probably cost the basin a conservative estimate of \$5 million.

George Hopkin, Director Conservation and Resource Management; assisted by Gordon Yonkers,

Director Utah Association of Conservation Districts (UACD); stated that the agency has 2 items in the Governor's budget that they would like the committee to be aware of. One is a proposed additional funding to go to the Utah Soil Conservation Commission (USCC) of \$26,000. The money would be used to help compensate the Governor-appointed board members for their activities in performing the duties of the Commission, help train Soil Conservation District leaders and assist with carrying out the functions of electing the locally lead districts. The other is a proposed additional funding of \$100,000 one-time funding that the committee generously provided for UACD a year ago. That funding is used to provide Utah's districts with adequate administrative and technical staff so they can provide the link between private land owners and government programs to promote wise use and conservation of our renewable resources. This request will restore funding that was cut in previous budget years.

Debra Spielmaker, Director, spoke about some of the accomplishment of Ag in the Classroom. She reported that Utah ranks 37th in the nation agriculturally and Utah's Ag in the Classroom program ranks first. She talked about the support the program receives from Utah State University extension, the Utah State Legislature, the Department of Agriculture and farm organizations. This program is unique to the rest of the 50 states. Ag in the Classroom continues to have mandatory core curriculum with the State Office of Education, lesson plans that they have created for the Utah Education Network Website (which has links to Ag in the Classroom's website), meets with about 700 student teachers per year at the University campus, provides an on-line course (the first on-line course on agriculture for K-6 teachers in the United States), has an E-store (which sells agriculture educational resources on-line) that fills orders nation-wide, and provides other educational benefits for the state.

Ag in the Classroom makes up some of their short-fall in budget with one-time grants.

DAF had support testimonies from the Ag community:

Randy Parker, Farm Bureau; Brent Tanner, Utah Cattlemen's Association; Arthur Douglas, Utah Farmer's Union; Clark Willis, Utah Wool Growers; Stan Wood, Fremont River Conservation Dist.; and Bill Rigby, Davis County.

MOTION: Rep. Gowans moved to adjourn the meeting at 3:50 p.m. The motion passed unanimously with Sen. Dmitrich, Sen. Evans and Rep. Lockhart absent for the vote.

